State of Arizona Senate Forty-sixth Legislature Second Regular Session 2004

CHAPTER 333

## **SENATE BILL 1233**

## AN ACT

PROVIDING FOR THE DELAYED REPEAL OF SECTION 28-2356, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2001, CHAPTER 325, SECTION 15; AMENDING SECTION 28-2356, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 258, SECTION 7; AMENDING LAWS 2003, CHAPTER 258, SECTION 12; MAKING AN APPROPRIATION; RELATING TO LICENSE PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)



Be it enacted by the Legislature of the State of Arizona:

Section 1. Delayed repeal

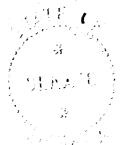
Section 28-2356, Arizona Revised Statutes, as amended by Laws 2001, chapter 325, section 15, is repealed from and after December 31, 2004.

Sec. 2. Section 28-2356, Arizona Revised Statutes, as amended by Laws 2003, chapter 258, section 7, is amended to read:

28-2356. <u>Transfer of license plates to another vehicle; credit;</u> refund

## A. Except as otherwise provided in this chapter, the owner of a vehicle for which the department provided license plates pursuant to section 28-2351 shall retain those license plates when the owner transfers the vehicle to another person.

- B. THE OWNER MAY APPLY FOR A REFUND OR A CREDIT OF THE UNEXPIRED PORTION OF THE FEES AND TAXES AS PRESCRIBED IN THIS SECTION IF BOTH OF THE FOLLOWING APPLY:
- 1. THE OWNER MAKES PROPER APPLICATION TO THE DIRECTOR OR TO AN AUTHORIZED THIRD PARTY PURSUANT TO CHAPTER 13 OF THIS TITLE.
- 2. THE OWNER AGREES TO ALLOW THE DEPARTMENT TO DEDUCT A TWELVE DOLLAR PROCESSING FEE FROM THE AMOUNT OF THE REFUND OR CREDIT.
- C. IF THE OWNER APPLIES FOR A CREDIT AS PRESCRIBED IN THIS SECTION, the department may assign the license plates retained pursuant to subsection A of this section to another vehicle that belongs to the owner if all of the following apply:
  - 1. The other vehicle is of the same vehicle type.
- 2. The owner makes proper application to the director or a third party authorized pursuant to chapter 13 of this title.
- 5. The owner pays a transfer fee of twelve dollars in addition to any other fees required by law.
- 2. THE OWNER IS APPLYING THE AVAILABLE CREDIT FOR THE FEES AND TAXES TO ONE OTHER VEHICLE THE OWNER OWNS OR ACQUIRES.
- 3. IF THE AVAILABLE CREDIT EXCEEDS THE AMOUNT REQUIRED TO PAY THE FEES AND TAXES, THE DEPARTMENT SHALL ISSUE A REFUND FOR THE REMAINING AMOUNT OF CREDIT AS PRESCRIBED IN THIS SECTION. THE DEPARTMENT SHALL NOT CHARGE AN ADDITIONAL TWELVE DOLLAR FEE PURSUANT TO SUBSECTION B OF THIS SECTION FOR ISSUING A REFUND UNDER THIS PARAGRAPH.
- 4. If the vehicle license tax, gross weight fees, commercial registration fees, special plate fees and motor carrier fees are more than the similar fees and taxes required to register the vehicle to which the license plates were previously assigned, the owner pays any additional fees and taxes required after subtracting any credit allowed under this section.



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- CT D. If the other vehicle is not of the same vehicle type as the vehicle for which the license plates were provided by the department pursuant to section 28-2351, the owner shall either surrender the license plates to the department or an authorized third party or submit an affidavit of license plate destruction as prescribed by the director. On surrender of the license plates or submission of an affidavit of license plate destruction, the department shall provide new license plates of the proper vehicle type to the owner and credit the owner with an amount equal to the unexpended portion of the fees and taxes originally paid by the owner for registration and license plates toward fees and taxes charged for the registration and license plates of the appropriate new vehicle type.
- D. E. The owner of a registered vehicle who transfers license plates to another vehicle OR WHO CLAIMS A REFUND PURSUANT TO THIS SECTION is entitled to a credit OR A REFUND for the unexpired portion of the fees and taxes paid as required by law in accordance with the following conditions:
- 1. The fees and taxes are prorated on a monthly basis beginning on the first day of the registration month following the date of acquisition of the vehicle.
  - The credit OR REFUND shall be an amount computed as follows: 2.
- (a) If the vehicle is registered on an annual basis, one-twelfth for each full month of the registration period not yet expired.
- (b) If the vehicle is registered on a biennial basis pursuant to section 28-2159, one-twenty-fourth for each full month of the registration period not yet expired.
- (c) If the vehicle is permanently registered, one-twenty-fourth for each full month after acquisition of the vehicle to the twenty-fourth month after the date of initial permanent registration of the vehicle.
- E. If the owner of a registered vehicle transfers the vehicle to another person and either surrenders the license plates to the department or an authorized third party or submits an affidavit of license plate destruction pursuant to section 28-2058, all of the following apply:
- 1. The department shall calculate, pursuant to subsection D of this section, the unexpired portion of fees and taxes available for credit at the time the license plates are surrendered or the affidavit of license plate destruction is submitted.
- 2. The department shall maintain a record of the amount calculated pursuant to paragraph 1 of this subsection.
- 3. The owner may apply the available credit for the fees and taxes to one other vehicle the owner owns or acquires before the expiration of the registration period for which the unexpired portion of the fees and taxes were raid.
- 42 4. If the available credit exceeds the amount required to pay the fees and taxes as prescribed in paragraph 3 of this subsection, the department 44 shall delete the excess credit from the record.

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- 5. If the owner does not apply the available credit calculated pursuant to paragraph 1 of this subsection for fees and taxes to another vehicle before the expiration of the registration period for which the unexpired portion of the fees and taxes were paid, the credit is zero.
- F. If the owner of a registered vehicle transfers the vehicle to another person but does not transfer the license plates to another vehicle, surrender the license plates to the department or an authorized third party or submit an affidavit of license plate destruction within thirty days of the transfer as required by section 28-2058, the credit for the unexpired portion of the fees and taxes shall decrement pursuant to subsection D of this section until the owner either surrenders the license plates to the department or an authorized third party or submits an affidavit of license plate destruction.
- G. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, AN OWNER OF A REGISTERED VEHICLE WHO TRANSFERS THE VEHICLE TO ANOTHER PERSON AND EITHER SURRENDERS THE LICENSE PLATES TO THE DEPARTMENT OR AN AUTHORIZED THIRD PARTY OR SUBMITS AN AFFIDAVIT OF LICENSE PLATE DESTRUCTION MAY APPLY TO THE DEPARTMENT FOR A REFUND OF THE UNEXPIRED PORTION OF THE FEES AND TAXES PAID IF THE OWNER DOES NOT CLAIM A CREDIT PURSUANT TO THIS SECTION AND THE REFUNDABLE AMOUNT CALCULATED PURSUANT TO SUBSECTION D OF THIS SECTION. IF THE DEPARTMENT DETERMINES THAT THE OWNER IS ENTITLED TO A REFUND, THE DEPARTMENT SHALL SEND THE REFUND BY FIRST CLASS MAIL TO THE ADDRESS PROVIDED BY THE OWNER CLAIMING THE REFUND OR, IF NO ADDRESS IS PROVIDED, TO THE LATEST ADDRESS LISTED ON THE DEPARTMENT'S RECORDS FOR THE OWNER CLAIMING THE REFUND.
- 6. H. An owner who transfers license plates to another vehicle pursuant to this section is subject to the same penalties for the use of the license plates on another vehicle or for improper use of the license plates as the owner would have been subject to for use of the license plates on the vehicle to which the plates were previously assigned.
- H. I. The owner of a vehicle registered in this state is not entitled to a credit or a refund pursuant to this section if the vehicle is registered in another state unless the owner is applying the credit pursuant to this section to another vehicle the owner owns or acquires for registration in this state.
- ${\bf 1.}$  J. The director shall adopt rules necessary to administer this section.
  - Sec. 3. Laws 2003, chapter 258, section 12 is amended to read:
  - Sec. 12. Effective date

A. Section 28-2356, Arizona Revised Statutes, as amended by LAWS 2003, CHAPTER 258, SECTION 7 AND this act, is effective from and after June 30 DECEMBER 31, 2004. , only if the legislature appropriates \$122,000 to the department of transportation to cover implementation costs.

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8. The department of transportation shall notify in writing the director of the Arizona legislative council if the condition is met or not met.

Sec. 4. Retroactivity

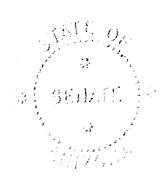
Laws 2003, chapter 258, section 12, as amended by this act, applies retroactively to from and after June 30, 2004.

Sec. 5. Appropriation: purpose

The sum of \$322,000 is appropriated from the state highway fund in fiscal year 2004-2005 to the department of transportation for the purposes provided in this act. The appropriation includes an increase of three FTE positions for increased staff for processing license plate credits and refunds.

APPROVED BY THE GOVERNOR JUNE 3, 2004.

FIRD IN THE OFFICE OF THE SECRETARY OF STATE JUNE 3, 2004.



Passed the House May 1	<u>0</u> ,20 <u>04</u> ,	Passed the Senate	March 2	2,2004
by the following vote:	51 Ayes,	by the following vote: _	30	Ayes,
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by the following vote:	·	by the following vote: 30 Ayes,
Nays,	Speaker of the House  Chief Clerk of the House	Nays, Not Voting  President of the Senate  Secretary of the Senate
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S.B. 1233		This Bill was received by the Secretary of State this day of, 2004,
3.D. 1233		at 4:22 o'clock P. M.  Perice K. Brewer  Secretary of State